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ABSTRACT

Teachers of college writing have a vested interest in the tremors of rhetoric surfacing from within the discipline of economics. In the past 15 years, some economists, philosophers of science, and humanists have challenged the positivist mantel of economics. They argue that economic methodology would be more ethical, more honest to the profession and more representational of reality if economists dropped the cloak of positivism. D. McCloskey led the charge for a rhetorical approach to economics in 1983 in "The Journal of Economic Literature," then in her book "The Rhetoric of Economics" in 1985. If economists accept the presence of rhetoric as another useful tool alongside mathematics, then, by implication, they must accept that writing teachers also have a role in training economists--not merely to become better communicators, but also to become better producers of economic knowledge. As humanists interested in the role of rhetoric and narrative in various fields, writing teachers can help their economist cousins. They can participate with full authority in the research about the nature of truth in science and the possibility for civil discourse across disciplines. (Contains 13 references.) (CR)

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How do economists respond to the storytellers? A look at "The Rhetoric of Economics."

Economics has long been a proud discipline, given to pronouncements about collective human behavior, and not often inclined toward humility. Non-economists often avoid peering into the world of economists, convinced that whatever arcane pursuits occupy these theorists can be of limited interest to society at large, or that such pursuits are off limits to the mortal lay person. Yet, the economist world view matters tremendously to non-economists because that world view attempts to characterize the actions of all human beings according to laws of utility maximizing behavior and similar inviolable models, and then to prescribe social policy as if such laws always obtain. Economic theorists thereby comply with Kelvin's Dictum, which, loosely translated, states that knowledge that cannot be expressed in numbers is no knowledge at all.

But in the past 15 years, some economists, philosophers of science and humanists have challenged the positivist mantel of economics. They have argued that mathematical models have become so abstract they have lost touch with the social element of economics. Furthermore, econometric tests require so many assumptions in order to work out correctly that these models are patently unrealistic and unable to deal with the nuances of complexity inherent in a real economy. These scholars argue that economic methodology would be more ethical, more honest to the profession and more representational of reality if economists dropped the cloak of positivism.

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Donald McCloskey, who after a gender change is now Deirdre, led the charge for a rhetorical approach to economics in 1983, when *The Journal of Economic Literature* published McCloskey's "The Rhetoric of Economics." McCloskey's book by the same name appeared in 1985; it is now in a second edition.

McCloskey's claim is that whether they acknowledge it or not, economists rely heavily upon metaphor, narrative and other literary tropes. McCloskey and other literary economists such as Robert Heilbroner and Arjo Klamer see the discipline in crisis because it has ignored these rhetorical and historical roots, which, by implication, are human roots. McCloskey states boldly that "the economic emperor has positively no clothes" (Journal, "Rhetoric" 482).

McCloskey, in a 1997 article in the *Eastern Economic Journal,* laments that her work has had little influence on the economics field. "The economists just didn't get it," she says ("Other Things Equal" Internet). Much of this paper will take McCloskey at her word and ask why economists did not get her argument or, more to the point, why many would choose not to get it.

As teachers of college writing, we have a vested interested in the tremors of rhetoric surfacing from within the discipline of economics. If economists accept the presence of rhetoric as another useful tool alongside mathematics, then, by implication, they must accept that writing teachers also have a role in training economists – not merely to become better communicators, but also to become better producers of economic knowledge.

McCloskey is known for direct speech, as we see clearly in a 1988 publication when he and Klamer proclaim that the economics field is becoming "warlike," largely

because economics has wandered away from normal human conversation. Economists are deaf to the stories of historians, anthropologists and others who reside outside the sacred halls of positivism. "There is not much listening going on," Klamer and McCloskey say, ("Economics in the Human Conversation" 4).

Adam Smith, the founder of classical economics, launched the rhetorical and narrative tradition in the mid 1700s with *The Theory of Moral Sentiments* and *The Wealth of Nations,* when he offered his metaphor of the "invisible hand" ("Wealth" 265). It describes a market place where everyone seeking to maximize their individual gains has the unintended but beneficial effect of maximizing gain for all of society.

Another example of metaphor McCloskey is fond of citing is the reference to the demand curve having a downward slope ("Rhetoric" 57). Clearly, the aggregate choice of consumers considering prices has no shape, except metaphorically. It is easy to go hunting for similar tropes. Economists lobbying for free trade simplify the international market place as offering a choice between two goods – wine and wool, for example. After setting up this *synecdoche,* economists tell stories of how nations can trade one for the other to benefit both nations.

Rhetoric not only influences economic theory, it also strongly influences the behavior of the *economy* itself, McCloskey and Klamer note in a 1995 paper titled, *One Quarter of GDP is Persuasion.* One need look only at the herd-like behavior of the stock market after Alan Greenspan utters just a few words to see McCloskey's point here.

McCloskey adopts a Marxist tone in the 1985 book by declaring that the economist's positivist methodology, or "box of tools," is bourgeois because such methodology struts around "issuing orders to working scientists" (24). This recalls many

feminist arguments against the hegemony of so-called objectivism. McCloskey seeks not to eliminate statistical analysis, but rather to imbue the discipline with a new civility, what Jurgen Habermas refers to as a *Sprachethik*. Eliminate the tyranny of the received view, McCloskey seems to be saying. Allow all to have a voice.

Some economists have embraced McCloskey's diagnosis of the profession and her call for a greater openness toward rhetorical technique. F.H. Hahn of Churchill College, Cambridge, reviewed McCloskey's 1985 book, *The Rhetoric of Economics*, and said that McCloskey has shown that economists, when asked what they are doing, "come up with bogus answers." Hahn's review, found in the mainstream *Journal of Economic Literature*, credits McCloskey for writing "with an elegance we have long thought to be extinct in economics and with a width of learning that is certainly exceptional" (110).

Still, many economists predictably have bristled at attempts to soften a discipline they have worked so hard to validate as a "true science." Even as McCloskey was making the claim for rhetoric in economics in the 1980s, he was able to foresee the criticisms of his approach. Economists would recoil at the apparent flower-power mush he appeared to be selling, which he laughingly summarizes as the "Santa Monica approach to science ('Hey, man, how do you feel about the law of demand today?') " ("Rhetoric" 35).

Economists have long been suspicious of those who would attempt to make their ideas understandable to the public, or who would attempt to use the commonplaces of society as a means for developing economic theory. Noble laureate Robert Solow has shown sympathy for McCloskey's cause by participating in conferences and in written debates about rhetoric in economics. Yet, in a 1989 book, *The Spread of Economic Ideas*,

Solow offers examples of how he sees complex theories turn to "mush" when appropriated by the language of the lay public.

Solow argues that Adam Smith's "invisible hand" metaphor has been subject to such distortion. The metaphor often is invoked as "proof" that free markets are the most effective system of exchanging goods and services. But what drops out of the popularized version of Smith's trope are all the qualifiers, including the assumption that information and access to markets must be available to all members of society.

Solow suggests that mathematical metaphors are more productive for economists than are literary metaphors ("Comments" 34). A mathematical assertion about complex numbers lying on a plane, for example, is metaphorical, but open to research in the way that a literary metaphor, "you are my sunshine," is not, Solow says. Statistical evidence is more valuable than anecdote in economics because bias is easier to detect in statistics than it is in anecdote. "I am only trying to illustrate the proposal that some modes of argument are better than others," he adds.

An irony unfolds when we realize that economists may reject the use of narrative and rhetoric in economics because such techniques, being so accessible, may prevent the economist from developing useful theory just because it happens *not* to make intuitive sense. Milton Friedman, the father of positivist economics, defended the process of grounding hypotheses in assumptions that do not mirror the real world. He pointed out in his 1953 treatise on methodology, *The Methodology of Positive Economics,* that business people contemplating decisions do not map their actions against economic models of perfect competition. But it doesn't matter. Those business people behave *as if* they were following such laws.

Friedman, Solow and others imply that many economists would fear rhetoric as a tool of delivering ideas to the lay public because the tropes that solidify in the public canon often are more powerful than the economic concepts that gave birth to them. The law of supply and demand is an example – a case where several qualified mathematical expressions defining such distinct concepts as "aggregate demand" and "intermediate demand" have been collapsed into one public meaning. "Savings" is another term that has commonplace associations in the public lexicon, but which means one thing in the United States and something different in Japan.

The more basic the economic concept, the more difficult it becomes to successfully use that concept in non-mathematical economic storytelling. Common terms like "inflation," "government spending," "growth" and the like pulsate with multiple overtones, which are not present in the equations that cast these concepts into relationships with the larger economic world. Government in the Depression-era of economist Maynard Keynes, for example, was what Richard Weaver would call "a God term," representing salvation from the despair of a dark and terrible economy. Now, in the era of Oklahoma City insurgency, government has become a "Devil term." Yet, the mathematical symbol for government spending in the general equilibrium model of national income has not changed. What has changed are the rhetorical values assigned to that symbol.

Words like "demand," "savings," "government" and the like are no more imbued with permanent significance than are any other words in a language spoken by humans. Wittgenstein showed words to be capsules, which allow ideas to bounce around inside. Multiple interpretations can emerge from these capsules, depending upon the historical and cultural contexts from which a statement is born. This is one reason economists flee to

the safety of equations. Hence, the rhetoric of economics must be seen in historical and cultural contexts, a notion McCloskey no doubt would support, but one which strict positivists would find disquieting.

While some of the criticism of McCloskey's work has centered around its implications for economics and economic theory, much has focused on the philosophical and epistemological assumptions that undergird her arguments. Of note is the paper "Economics Is Too Important to Be Left to the Rhetoricians" by Alexander Rosenberg, published in 1998. Rosenberg calls McCloskey's doctrine "extremely seductive and highly mischievous" (130). So what if economics has metaphor? Rosenberg asks. Society demands that economists be able to make predictions about the economy. He asserts that "the best and most prized of scientific theories are in fact those with the greatest predictive power" (145). Rosenberg most certainly would add that history and story telling in economics is not enough.

Rosenberg further suggests that McCloskey has set positivism up as a straw argument, without acknowledging the complexities of what positivism is offering. It is far more than mathematics, but instead a system of transforming the ideas of Adam Smith and others into "something approaching an axiomatic system and its theorems" (134). Martin Hollis of the University of East Anglia argues in a 1985 article in *Economics and Philosophy* that McCloskey's upbraiding of positivism threatens to leave the discipline without a benchmark for evaluating theory. Hollis says that "protest is no substitute for epistemology. We still need to know what counts as a good economic argument" (133).

Uskali Maki projects this criticism into the arena of truth in a 1988 article in the same journal by stating that McCloskey and others espousing a rhetorical approach to

economics seem to be suggesting that if economics is rhetorical, it cannot also be realistic. McCloskey takes aim at truth-seeking, asserting that such an endeavor is unnecessary. At the same time, McCloskey would appear to be arguing that her observations about the rhetoric of economics are indeed true.

Those economists occupying the middle ground in this debate seem to be saying collectively that while McCloskey, Klamer and others may be on to something, their observations alone do not offer a cure for what might ail modern economics. Hahn's favorable review of McCloskey's 1985 book is tempered with the observation that, yes, McCloskey is urging open-minded conversation, but she is offering little advice on how to conduct such conversation. What methods will be available for evaluating economic theory if all methods of developing it are deemed acceptable? "In any case McCloskey opens the floodgates without telling us what, concretely, to do with the ensuing tide," Hahn says (111).

Those of us approaching McCloskey's debate from the humanities side of the aisle might be tempted to claim a prize merely because several economists are taking quite seriously what we do. Yet, if all we do as writing teachers and story tellers is cheer on the economists in their hunt for tropes, we will find our usefulness to be short lived. Clearly, McCloskey, Klamer and others have done economics a service, but critics have every right to ask, "So what?" As humanists interested in the role of rhetoric and narrative in various fields, we can help our economist cousins answer that question. We can participate with full authority in the research about the nature of truth in science and the possibility for civil discourse across disciplines. Economists must expand the economic *polis* to include all of society, while, at the same time, still maintaining their duty toward exactitude via a precise

epistemology. As humanists, we must help economists realize that they can do all of this because of rhetoric, not in spite of it.

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